

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

SENIOR HOUSING ASSISTANCE GROUP,

Plaintiff,

AMTAX HOLDINGS 260, LLC, et al.,

Defendants.

No. C17-1115 RSM

STIPULATION AND ORDER REGARDING THIRD-PARTY OFFERS TO PURCHASE

AMTAX HOLDINGS 260, LLC, et al.,

Counter-Plaintiffs,

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SENIOR HOUSING ASSISTANCE GROUP, et al.,

Counter-Defendants.

1 Plaintiff and Counter-Defendant Senior Housing Assistance Group; Defendants
2 AMTAX/Protech AMTAX Holdings 260, LLC, Protech Holdings W, LLC, AMTAX Holdings
3 259, LLC, AMTAX Holdings 261, LLC, AMTAX Holdings 258, LLC, AMTAX Holdings 257,
4 LLC, AMTAX Holdings 164, LLC, Protech 2002-A, LLC, AMTAX Holdings 109, LLC, and
5 Protech 2001-B, LLC; and Third Party Defendants Senior Housing Assistance Corporation, Steel
6 Lake Enterprises, LLC, Lakewood Meadows Enterprises, LLC, Lynnwood Retirement Living,
7 LLC, and Woodlands Associates, LLC (collectively the “Parties”), by and through their counsel
8 of record, stipulate and agree as follows:

9 WHEREAS, Reliant Group Management, LLC (“Reliant”) and Redwood Housing
10 Partners, LLC (“RHP”) are not parties to this action;

11 WHEREAS, the Parties seek to deem admissible at trial the facts and documents
12 described herein;

13 WHEREAS, the Parties agree not to call as a witness at trial any person associated with
14 Reliant or RHP, except as a rebuttal witness;

15 THEREFORE, subject to the approval of the Court, the Parties hereby stipulate and agree
16 that the following facts represent the testimony of witnesses from Reliant and RHP and the
17 referenced documents (referenced by Bates number) are admissible for all purposes, including at
18 trial:

19 **I. Facts Related to Reliant**

20 1. Sanjiv Kakar is the Senior Vice President of Acquisitions for Reliant. On January
21 19, 2016, Mr. Kakar sent an unsolicited letter to Senior Housing Assistance Group (“SHAG”)
22 (care of Mark Pulman) expressing Reliant’s interest in acquiring the Lakewood Meadows
23 Apartments (“Lakewood Meadows”). A copy of that letter can be found at Bates Nos.
24 SHAG00014671-80, and Reliant believed the contents of that letter to be accurate at the time the
25 letter was drafted and transmitted. From February through March 2016, Evan Wilson, a broker
26

1 at Park Lane Realty Partners representing Reliant, and Mr. Kakar contacted Mr. Woolford on a
2 number of occasions to follow up on its inquiry regarding Lakewood Meadows.

3 2. On May 18, 2016, Mr. Woolford sent an email to Mr. Wilson explaining that
4 SHAG might be interested in selling three properties that it owned in partnership with an
5 investor limited partner. On June 16, 2016, Mr. Kakar met Mr. Woolford over lunch in Seattle,
6 Washington. During this meeting, Mr. Kakar explained Reliant's interests and discussed with
7 Mr. Woolford the properties that SHAG might be interested in selling.

8 3. Between June and September 2016, Mr. Kakar and Mr. Wilson exchanged several
9 emails with Mr. Woolford in an effort to make progress on a deal to purchase one or more of the
10 properties Mr. Kakar had discussed with Mr. Woolford.

11 4. On October 12, 2016, Mr. Woolford sent Mr. Kakar an email asking what
12 information Reliant would need in order to evaluate possible offers on the Boardwalk
13 Apartments ("Boardwalk") and the WoodRose Apartments ("WoodRose"). Throughout October
14 2016, Mr. Woolford and Maurice Sharpe, a SHAG employee, provided Mr. Kakar with
15 information about Boardwalk and WoodRose at Mr. Kakar's request.

16 5. On November 5, 2016, on behalf of Reliant, Mr. Kakar emailed Mr. Woolford
17 Letters of Intent, both signed by Mr. Kakar, to purchase Boardwalk and WoodRose, along with
18 documents describing Reliant's available financial resources. Copies of Mr. Kakar's November
19 5, 2016 email and its attachments can be found at Bates Nos. SHAG00015103-42. Reliant
20 believed that the contents of Mr. Kakar's November 5, 2016 email and its attachments were
21 accurate at the time Reliant drafted and transmitted them. Reliant had no motivations in drafting,
22 executing, and transmitting its Boardwalk and WoodRose Letters of Intent other than the
23 motivations expressed in those Letters of Intent.

24 6. On November 9, 2016, after receiving additional information from Mr. Sharpe,
25 Mr. Kakar emailed Mr. Woolford Letters of Intent, both signed by Mr. Kakar on behalf of
26 Reliant, to purchase two other properties: the Meridian Court Apartments ("Meridian Court")

1 and Auburn Court Apartments (“Auburn Court”). Copies of Mr. Kakar’s November 9, 2016
2 email and its attachments can be found at Bates Nos. SHAG00015192-231. Reliant believed that
3 the contents Mr. Kakar’s November 9, 2016 email and its attachments were accurate at the time
4 Reliant drafted and transmitted them. Reliant had no motivations in drafting, executing, and
5 transmitting its Meridian Court and Auburn Court Letters of Intent other than the motivations
6 expressed in those Letters of Intent.

7 7. On November 12, 2016, Mr. Kakar met Mr. Woolford for lunch. Mr. Kakar
8 recalls that, during this meeting, Mr. Woolford explained that SHAG’s limited partner was
9 frustrating SHAG’s ability to move forward on Reliant’s Letters of Intent.

10 8. From November 2016 through July 2017, Mr. Kakar and Mr. Wilson emailed Mr.
11 Woolford to ask about the status of Reliant’s Letters of Intent and to ask whether SHAG had
12 made any progress with its limited partner. Some of these communications can be found at
13 Bates Nos. RELIANT000091-122.

14 9. Mr. Kakar does not recall Mr. Woolford or anyone from SHAG ever notifying
15 Mr. Kakar that SHAG had attempted to exercise a right of first refusal with respect to Boardwalk
16 or WoodRose. In addition, Mr. Kakar does not recall Mr. Woolford or anyone else from SHAG
17 having notified Mr. Kakar that Reliant’s Letters of Intent to purchase Boardwalk and WoodRose
18 were being used in connection with SHAG’s attempts to exercise a right of first refusal as to
19 those properties.

20 **II. Facts Related to RHP**

21 10. Nick Boehm is a Director of RHP. On behalf of RHP, on December 10, 2015,
22 Mr. Boehm sent an unsolicited email to Mr. Woolford attaching a Letter of Intent to acquire
23 Lakewood Meadows. A copy of that December 10, 2015 email and its attachment can be found
24 at Bates Nos. SHAG00014614-19. RHP believed that the contents of Mr. Boehm’s December
25 10, 2015 email and its attachment were accurate at the time RHP drafted and transmitted them.
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1 11. On December 11, 2015, Mr. Woolford responded to Mr. Boehm's December 10,
2 2015 email and its attachment in an email included as part of an email string that can be found at
3 Bates Nos. SHAG00008859-75. Mr. Woolford stated, in part: "We are not currently considering
4 selling, or re-capitalizing that property as we are still within the 15 year compliance period. We
5 do have a property in Auburn Washington though that has met its 15 year compliance period. I
6 can't say what we plan to do, but if you want to consider a LOI, we will look at it."

7 12. Mr. Boehm responded to Mr. Woolford later that same day. That correspondence
8 is also included in the email string found at Bates Nos. SHAG00008859-75. Mr. Boehm wrote
9 that he assumed Mr. Woolford was referring to the Auburn Court Apartments, and Mr. Boehm
10 asked Mr. Woolford if he would share the "most recent audited financials for the property."

11 13. On December 14, 2015, Mr. Woolford responded with a communication also
12 included in the email string found at Bates Nos. SHAG00008859-75. Mr. Woolford attached "a
13 draft audit" for the Auburn North Associates Limited Partnership, a copy of which can be found
14 at Bates Nos. SHAG00008862-75.

15 14. After reviewing the draft audit for the Auburn North Associates Limited
16 Partnership, Mr. Boehm, on behalf of RHP, emailed Jay Woolford a Letter of Intent, signed by
17 Mr. Boehm, on December 14, 2015 for Auburn Court. A copy of Mr. Boehm's December 14,
18 2015 email and its attachment can be found at Bates Nos. SHAG00014635-43. RHP believed
19 that the contents of Mr. Boehm's December 14, 2015 email and attachment were accurate at the
20 time RHP drafted and transmitted them. RHP had no motivations in drafting, executing, and
21 transmitting its Auburn Court Letter of Intent other than the motivations expressed in that Letter
22 of Intent.

23 15. Between December 2015 and the end of February 2016, Mr. Boehm and one of
24 his colleagues, Ryan Fuson, exchanged several emails and additional documents with Mr.
25 Woolford and Star Moss, a SHAG employee, regarding Auburn Court. Those emails and
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1 attachments can be found at SHAG00014644-61, RHP0001-2, SHAG00014666-68,
2 SHAG00014683-85, RHP0022-27, SHAG00014686-89.

3 16. Between January 2016 and January 2017, Mr. Boehm exchanged several emails
4 with Mr. Woolford. Those emails can be found at RHP0040-44.

5 17. In discussions regarding the existence and possible availability of Auburn Court,
6 neither Mr. Woolford nor anyone from SHAG notified Mr. Boehm that SHAG was the holder of
7 a right of first refusal with respect to Auburn Court, or that SHAG was seeking to exercise that
8 right of first refusal.

9 RESPECTFULLY SUBMITTED this 8th day of October, 2018.

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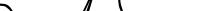
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IT IS SO ORDERED this 12th day of October 2018.



RICARDO S. MARTINEZ
CHIEF UNITED STATES DISTRICT JUDGE